

as a result of increased spending and the recession we are in. Last year, the debt was \$1.4 trillion, 1,400 billion dollars, three times what it was. And this year the projected deficit is going to be almost the same, according to Mr. Elmendorf's report.

It continues this way, unfortunately, throughout the decade and will average, based on the planned expenditures and revenues as set forth by the Obama administration's budget, almost \$1 trillion a year in deficits. This is why experts are repeatedly telling us it is unsustainable. We will be maintaining deficits twice as large as anything we have ever seen for the next decade.

Let me show what it means in one area that I think all of us can understand. When you borrow money, you pay interest on it. Each year, the interest we pay on the debt is one of the biggest line items in the whole budget. If the debt goes up from \$5.7 trillion in 2008 to \$17 trillion in 2019, which is what they project will happen, the interest rate is going to go up. It will go up even more than that. It will go up more. Interest rates are extraordinarily low as a result of the economic slowdown. They are going to go up, and they are going to hit us in the book.

Here is what CBO says will happen. In 2009, we paid \$200 billion in interest on the debt. In 2019, they project we will pay \$799 billion. They project an increase in rates and an increase in debt—a tripling of debt and an increase in interest rates—which leads to four times as much interest being paid over that period of time. Frankly, it does not include some other factors in there also.

I have to say to my colleagues, I am sorry we did not pass the statutory cap we offered this week. But I was encouraged by so many of our Democratic colleagues who saw fit to support it. I think it is indicating there is a recognition in this body that we are going

to have to do some tough things. We cannot keep spending like this. There is always some excuse for it. We cannot continue it.

Think about this. The Federal Highway Program a few years ago, before we had the stimulus package, was about \$40 billion a year. Federal aid to education is about \$40 billion a year. Other programs are in that range. It gives you a picture of what kind of dollars we are talking about. But if you add \$600 billion in increased interest payments over this next decade, in 1 year \$600 billion more, this is going to crowd out spending for all kinds of programs that we wish to fund.

We are going to be in a dilemma. How much more can we borrow—100 percent of GDP? More?—without destabilizing our currency or cutting spending? And it is going to crowd out spending on items we need to be spending money on. It is going to be crowded out by the interest payment which will exceed all expenditures in the budget, well above the defense budget even, the largest expenditure.

This is a stunning path we are on. Mr. Elmendorf reconfirmed it yesterday in his testimony before the Budget Committee. I am worried about it. The American people are worried about it. I don't think they know it is as bad as it is, but they know it is not good. They know there is no free lunch. They know nothing comes from nothing, and that we have to pay for what we do around here. We cannot continue to borrow, borrow, borrow, stimulate today and maybe 1 day in the future we will get around to paying it.

I offer to you, in 2019, there is no plan to pay down a dime of the debt. It is just to pay the interest on the debt. In 2019, we will add \$1 trillion more to the debt of America. It is going up almost \$1 trillion a year, and these are out-years, according to CBO analysis. Nothing is perfect that far out. It could

be better; it could be worse. They are not projecting a recession in the out-years; they are projecting steady economic growth. It could be worse.

We have to do better. This is not a matter that is going away. The American people instinctively have it right. They are telling us in rallies and tea parties: You guys have to do better. You are being irresponsible. I think they are fundamentally correct. They have every right to be upset with us. We can do better. We must do better. And I hope we will.

Mr. President, I thank you for the opportunity to make these remarks. It is something we are going to have to continue to work on. We cannot continue this path. If we put our mind to it, we can fix this situation. It is not a challenge beyond our capacity. But make no mistake, financially I doubt we have ever been in a situation that requires as much clarity and as much determination as is going to be required over the next decade, and some painful decisions are going to have to be made. They are going to have to be made.

That means containing spending and resisting the temptation to create more and more new programs that inevitably cost more than they were projected to when they started.

I thank the Chair, and I yield the floor.

ADJOURNMENT UNTIL MONDAY,
FEBRUARY 1, 2010, AT 2 P.M.

The ACTING PRESIDENT pro tempore. The Senate stands adjourned until Monday, February 1, 2010, at 2 p.m.

Thereupon, the Senate, at 11:39 a.m., adjourned until Monday, February 1, 2010, at 2 p.m.